



**COMMONWEALTH OF MASSACHUSETTS**

*Charles D. Baker, Governor*

*Karyn E. Polito, Lt. Governor*

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# **2017 MA RPS & APS Compliance Filing Webinar**

**June 5, 2018**

**RPS & APS  
Compliance  
Webinar**

**June 5, 2018**

**John Wassam, RPS/APS Program Manager**

**Kaitlin Kelly, Solar Carve-Out Program Coordinator**

**Mike Judge, Director, Renewable and Alternative Energy  
Development**

# Review of Filing Process

- 2015 and 2016 banked totals provided on May 1st
- Retail Load Obligations provided on May 15<sup>th</sup>
- Compliance Workbook/Instructions sent on May 29<sup>th</sup>
- End of 2017 trading year is June 15<sup>th</sup>!
- Alternative Compliance Payments (ACPs) must be submitted to the MassCEC by Tuesday, June 26<sup>th</sup>
- Compliance filings due no later than Monday, July 2<sup>nd</sup>
- Filers must provide *both* electronic and hard copies of filing. Electronic copies must be submitted to:

[doer.rps@state.ma.us](mailto:doer.rps@state.ma.us).

# What's New?

- Trifurcation of Solar Carve Out II Exemptions
  - 1) Served load of contracts executed on or before April 25, 2014
  - 2) Served load of contracts after April 25, 2014, but on or before May 8, 2016
  - 3) Served load of contracts after May 8, 2016
  
- New wire instructions to Massachusetts Clean Energy Center (MassCEC). To be sent encrypted.

# Bifurcation for Solar Carve-Out

## Minimum Standard (%)

- ***Applies to all suppliers (EDCs and Competitive)***
- **For contracts executed or extended on or before 6/28/13**
  - This load must meet a Minimum Standard of 0.9861%
- **For contracts executed or extended after 6/28/13**
  - This net load must meet a Minimum Standard of 1.6313%

# Trifurcation for Solar Carve-Out II

## Minimum Standard (%)

- ***First exemption applies only to competitive suppliers (not EDCs)***
- **For contracts executed or extended on or before 4/25/2014**
  - This exempt load has no Minimum Standard
- **For contracts executed or extended after 4/25/2014, but on or before 5/8/2016**
  - This load must meet a Minimum Standard of 2.0197%
- **For contracts executed or extended after 5/8/2016**
  - This net load must meet a Minimum Standard of 2.8628%

# Solar Carve Out Strategies and Best Practices

- Auction [Re-minted] SRECs
  - 2014 Auction SRECs **must** be used for 2017 compliance
  - 2015 Auction SRECs **must** be used for 2017 compliance
  - 2016 Auction SRECs can be used for 2017 and/or 2018 compliance
- Auction [Re-minted] SREC IIs
  - 2015 Auction SRECs IIs must be used for 2017 compliance
  - 2016 Auction SREC IIs can be used for 2017 and/or 2018 compliance
- All Auction SRECs for use in 2017 should remain in your main GIS account or your Banked account, **not** in your state-specific subaccount
- *For the Compliance Workbook, do not list Auction Re-minted SRECs or SREC IIs in the Banked columns!*

	Compliance Year →	CY 2017	CY 2018
SREC Vintage	2014	Yes	No
	2015	Yes	No
	2016	Yes	Yes

	Compliance Year →	CY 2017	CY 2018
SREC II Vintage	2015	Yes	No
	2016	Yes	Yes

# Compliance Strategies and Best Practices

- Banking certificates
  - DOER recommends that Suppliers avail themselves of their ability to bank certificates whenever possible
  - Banking limits are expressed as a percentage of a Supplier's 2017 compliance obligation
  - Banked certificates can be used in one of the two subsequent compliance years
  - Banking limits are as follows for specific classes:

○ RPS Class I	30%
○ SREC I and SREC II	10%
○ RPS Class II Renewable	30%
○ RPS Class II Waste-to-Energy	5%
○ APS	30%
- Settle all certificates in MA subaccounts at GIS by June 15<sup>th</sup>
  - Unsettled & other "Errant" certificates create accounting issues, require additional documentation from Suppliers, and make it difficult for DOER to reconcile numbers.
  - DOER requests that all suppliers settle certificates before the close of the trading year, 11:59 p.m., June 15<sup>th</sup> [Auction Reminted SRECs/SREC IIs excepted]

# ACP Payments

- ACP Payments must be made to the Massachusetts Clean Energy Center (MassCEC) by Tuesday June 26<sup>th</sup>
- ACP wire instructions have been sent separately by encrypted email.
- The ACP Notification is in the last tab of the *Workbook*: tab **N**
- You must itemize your payments according to the different types of ACPs:
  - Class I (RECs)
  - Class I Solar Carve-Out (SRECs); Class I Solar Carve-Out II (SREC IIs)
  - Class II Renewable Energy (Class II RECs)
  - Class II Waste-to-Energy (WECs)
  - Alternative Portfolio Standard (AECs)
- The MassCEC will provide an ACP Receipt that will identify ACP Credits (MWh) and Payments (\$) for each type of ACP that you remit
- ACP Receipts must be included as part of your emailed filing only
- If you have not received ACP Receipts by July 2<sup>nd</sup>, you should **not** delay email submission of your Compliance Filing on time. Email ACP receipt when received



# 2017 SREC Auction(s)

- The 2017 SREC Auction will be held before the end of July
- DOER expects to have significant auction volume in SREC II, but does not expect a large volume in SREC I
- All deposits into the auction account must be made by June 15<sup>th</sup>
- Bidders will need to register by submitting a qualification form to DOER's auction agent
- DOER expects considerable bidder interest and strongly encourages all retail suppliers to actively participate in this year's auction
- The auction represents an opportunity for suppliers to manage their future compliance costs

# Related Programs

- SMART (Solar Massachusetts Renewable Target)
  - Expected to start in 2018. Goal of 1,600 MW in Massachusetts
  - All qualified projects classified as Class I
  - Class I Generation Certificates will be transferred to EDCs
- 83C and 83D Procurements
  - Suppliers selected and contract negotiations with EDCs underway
  - 83C expected to add Class I Generation Certificates in 2020s
  - 83D expected to add Clean Energy Credits (CECs) in 2020s
- Clean Energy Standard (CES) effective in 2018
  - RPS Class I obligation will count towards CES obligation, i.e.,  
2018 Class I standard of 13% will go towards 16% CES standard
  - Any Class I REC qualifies to meet CES obligation
  - Plan is to add CES worksheet to RPS/APS Compliance Workbook
  - Will likely have to remit separate ACP to MA DEP (or agent)
  - Contact Mass Department of Environmental Protection with questions

# Links & Contacts

## ➤ Assistance:

- RPS/APS email contact:  
[doer.rps@state.ma.us](mailto:doer.rps@state.ma.us)
- RPS/APS Program Manager:  
John Wassam, [doer.rps@state.ma.us](mailto:doer.rps@state.ma.us), 617.626.7376
- For SREC, SREC II and SREC Auction questions:  
Kaitlin Kelly: [kaitlin.kelly@state.ma.us](mailto:kaitlin.kelly@state.ma.us), 617.626.7343

## ➤ General Program Info:

- [www.mass.gov/renewable-energy-portfolio-standard](http://www.mass.gov/renewable-energy-portfolio-standard)
- [www.mass.gov/alternative-energy-portfolio-standard](http://www.mass.gov/alternative-energy-portfolio-standard)